



## Investment Reports

Quarterly Report – September 30, 2009

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**Dated: November 5, 2009**

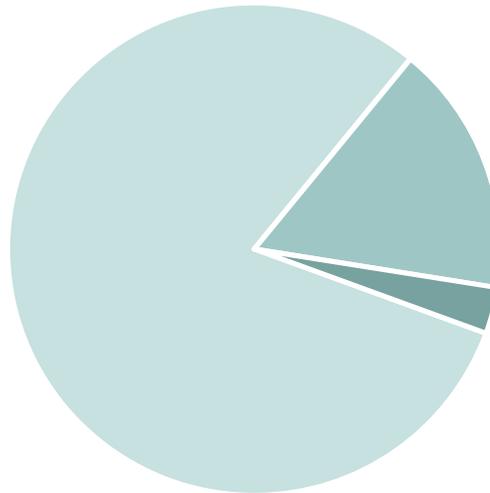




The WSIB invests for 39 funds:

- ❖ 17 Retirement Funds
- ❖ 4 State Insurance Funds for injured workers
- ❖ 18 Permanent and Other Trust Funds

Retirement Funds  
(CTF & Defined  
Contribution)  
\$56,709,411,658  
80.4%

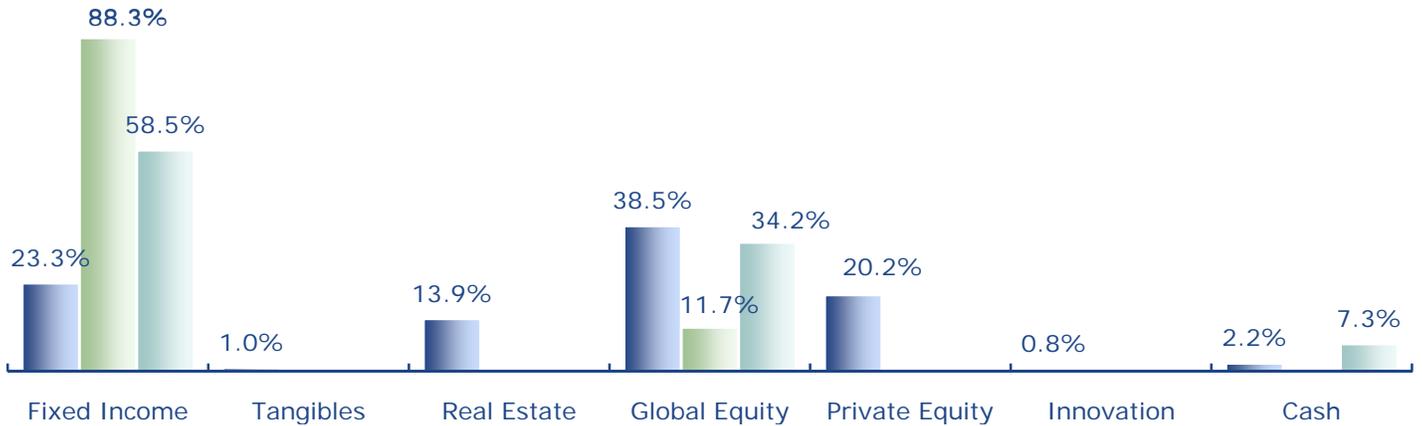


Labor & Industries'  
Funds  
\$11,689,913,182  
16.6%

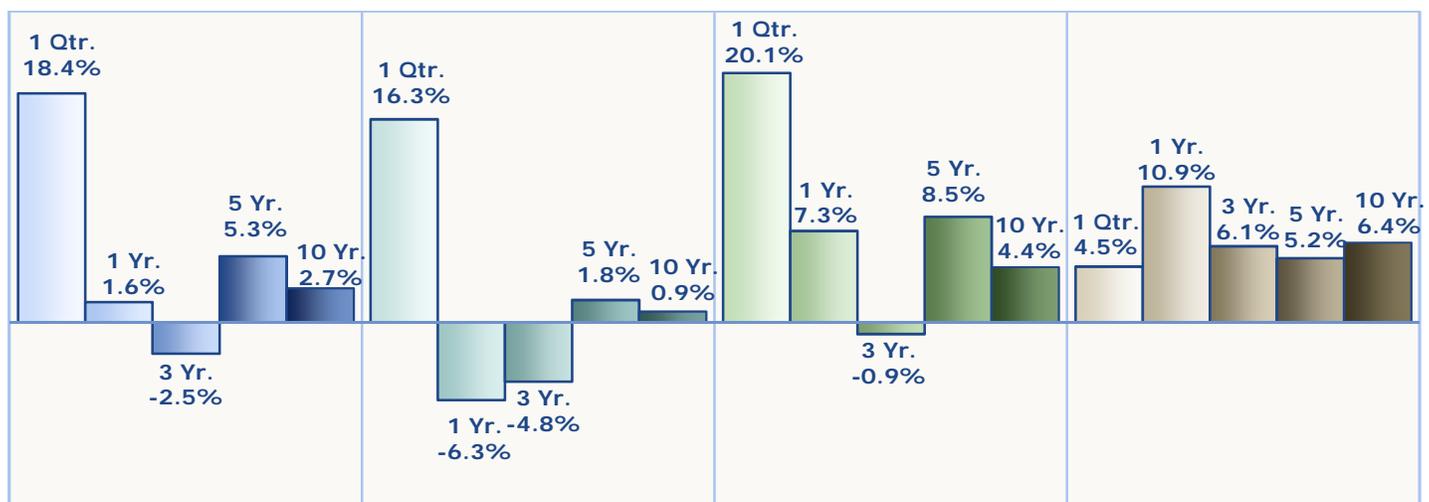
Permanent & Other  
Funds  
\$2,149,995,486  
3.0%

Asset Class Overview for All Funds

- Retirement Funds (CTF & Defined Contribution)
- L&I Funds
- Perm & Other Funds



**Indices Returns**



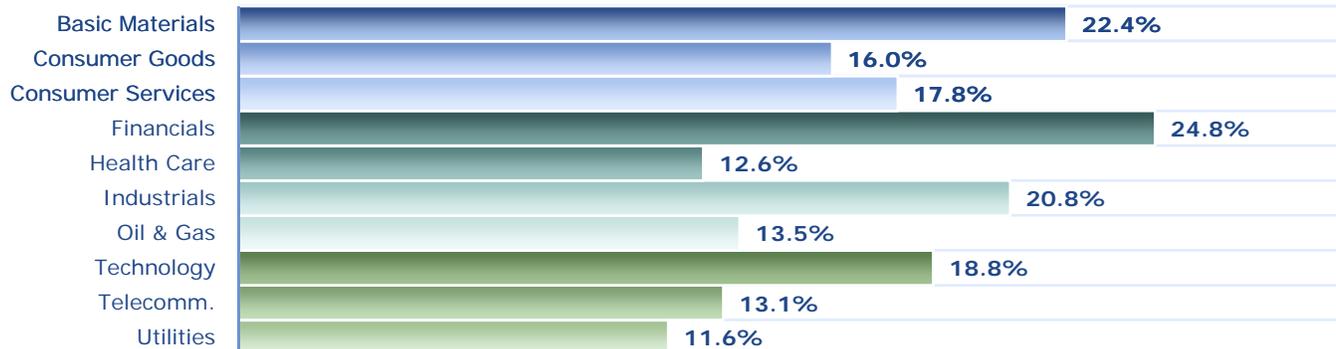
**Global Equity Benchmark (DJ Wilshire Global)**

**U.S. Equity Benchmark (DJ Wilshire 5000)**

**International Equity Benchmark (MSCI ACW ex U.S. IMI / ACW ex U.S. blend)**

**Fixed Income Benchmark (Barclays Capital Universal)**

**Dow Jones Wilshire Global - Quarter Industry Returns**



**Capital Market Highlights**

- ❖ Global equities as measured by the Dow Jones Wilshire Global, returned 18.4% outperforming fixed income as measured by the Barclays Capital Universal which returned 4.5% for the quarter.
- ❖ International equities outperformed U.S. equities by almost 400 basis points for the quarter.
- ❖ The highest industry return for the quarter as shown with the Dow Jones Wilshire Global was basic materials at 22.4%. The lowest return was utilities at 11.6%.
- ❖ In the Barclays Capital indices, U.S. corporate high yield had the highest return for the quarter earning 14.2% while U.S. agency had the lowest return at 1.8%. For the quarter, the long end of the curve outperformed the short with the 30 year earning 5.6% versus .01% for the 3 month.
- ❖ GDP was 3.5% (annualized) for the quarter. Inflation, as measured by the CPI was 0.6%.
- ❖ The federal funds target rate remained the same during the quarter, ranging from 0-0.25%.

**Commingled Trust Fund**

- ❖ Performance for the quarter, 5, and 10 year time periods are positive. The CTF is exceeding the actuarial return of 8% for its since inception return. However, it still is not exceeding it for annualized time periods listed. It outperformed its benchmark for the 5 and 10 year time periods.

**Asset Allocation**

- ❖ Asset transfers for the 3<sup>rd</sup> quarter included increases of real estate (\$84.6 million), tangibles (\$13.7 million), and private equity (\$218.7 million) from fixed income (\$200.0 million) and global equity (\$42.5 million). Plan withdrawals were around \$153.0 million.

**Fixed Income**

- ❖ Fixed income has positive returns and outperformed its benchmark, Barclays Capital Universal for all time periods.

**Tangible**

- ❖ The WSIB Tangible return for the 3<sup>rd</sup> quarter was 1.5%.
- ❖ As of March 31, 2009, there were \$519 million in unfunded commitments.

**Real Estate**

- ❖ The WSIB Real Estate return for the 3<sup>rd</sup> quarter was 0.0%. It outperformed NCREIF (lagged one quarter) plus 100 basis points, which returned -5.0%. It outperformed its benchmark for the 5 and 10 year time period.
- ❖ As of June 30, 2009, there were \$7.8 billion in unfunded commitments.

**Global Equity**

- ❖ Global equity performed 18.2% for the quarter. It underperformed its benchmark, the Dow Jones Wilshire Global which returned 18.4%.
- ❖ 1 of the 2 U.S. managers outperformed their benchmark for the quarter and the 1 year time period, but the other has outperformed its benchmark for the 3, 5, and 10 year.
- ❖ 2 of the 10 international developed managers outperformed their benchmark for the quarter. 7 of the 9 managers that have a 5 year return outperformed their benchmark.
- ❖ 3 of the 5 international emerging market managers outperformed their benchmark for the quarter.

**Private Equity**

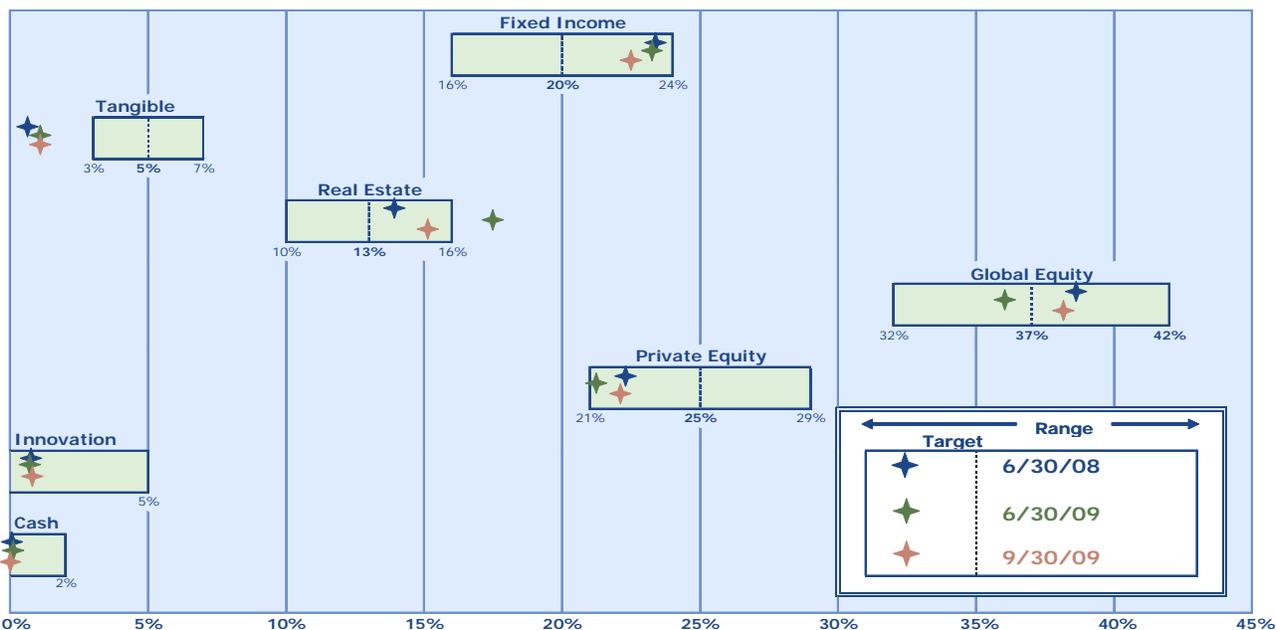
- ❖ The WSIB private equity return for the 3<sup>rd</sup> quarter was 7.8%. It underperformed its benchmark, S&P 500 plus 500 basis points (lagged one quarter) for the quarter and 1 year, yet outperformed it for all other time periods.
- ❖ As of June 30, 2009, there were \$8.9 billion in unfunded commitments.

**Innovation**

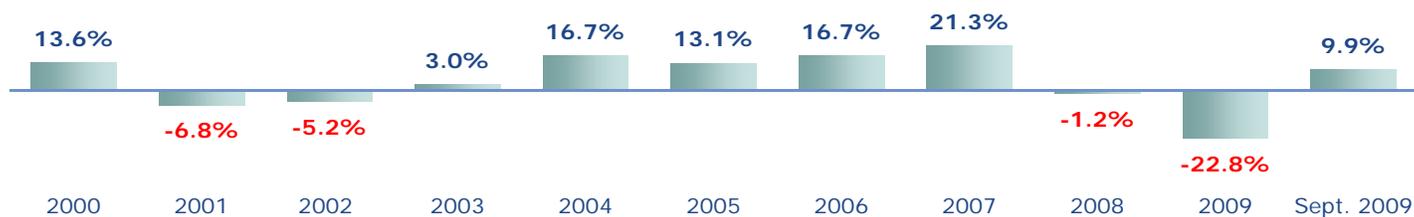
- ❖ Innovation is currently comprised of global managers and outperformed its custom benchmark for the quarter. There has been a new investment in a mezzanine fund, but it hasn't been funded yet.

**Market Values Actual Asset Allocation**

Asset Class	Market Value	by Asset Class	with Overlay	Market Value Changes
Fixed Income	\$ 11,694,688,614	22.52%	22.52%	Quarter: \$ 4,548,640,624
Tangible	\$ 550,048,099	1.06%	1.06%	Fiscal Year: \$ 4,548,640,624
Real Estate	\$ 7,898,607,961	15.21%	15.21%	
Global Equity	\$ 19,103,246,512	36.79%	38.15%	
Private Equity	\$ 11,472,954,073	22.09%	22.09%	
Innovation	\$ 461,512,292	0.89%	0.88%	
Cash	\$ 750,552,689	1.45%	0.09%	
<b>Total Fund</b>	<b>\$ 51,931,610,239</b>			



**Annual Performance and Growth of the CTF (Fiscal Years Ended June 30)**



Note: Page 4-9, Totals may not add up due to rounding.



			Qtr.	1 Year	3 Year	5 Year	10 Year	Since Inception <sup>8</sup>
<b>Total Fund</b>	<b>\$51,931,610,239</b>	<b>100.0%</b>	9.94%	-7.75%	-0.79%	5.84%	5.14%	8.34%
Passive Benchmark <sup>2</sup>			13.98%	5.45%	-0.05%	4.79%	3.50%	
Implementation Value Added Benchmark <sup>3</sup>			11.37%	-3.51%	0.36%	5.34%		
TUCS Public Fund >\$1B Median <sup>4</sup>			11.53%	0.45%	-0.40%	4.60%	4.22%	
TUCS Public/Corporate Fund >\$1B Median <sup>4</sup>			11.33%	0.84%	-0.32%	4.60%	4.39%	
<b>Fixed Income</b>	<b>\$11,694,688,614</b>	<b>22.5%</b>	6.15%	15.54%	7.74%	6.23%	7.18%	
Barclays Capital Universal			4.48%	10.91%	6.12%	5.15%	6.42%	
<b>Tangible</b>	<b>\$550,048,099</b>	<b>1.1%</b>	1.51%	-8.70%				
CPI (Lagged One Quarter) + 400 bp			1.81%	2.81%				
<b>Real Estate<sup>5</sup></b>	<b>\$7,898,607,961</b>	<b>15.2%</b>	0.00%	-26.65%	0.19%	9.39%	10.47%	
NCREIF (Lagged One Quarter) + 100 bp			-4.95%	-18.57%	1.98%	8.60%	9.50%	
<b>Global Equity</b>	<b>\$19,103,246,512</b>	<b>36.8%</b>	18.19%	-0.74%	-3.75%	4.10%	2.41%	
Dow Jones Wilshire Global			18.42%	1.63%	-2.53%	5.31%	2.74%	
<b>Private Equity<sup>5</sup></b>	<b>\$11,472,954,073</b>	<b>22.1%</b>	7.75%	-21.96%	-1.99%	10.64%	8.40%	
S&P 500 (Lagged One Quarter) + 500 bp			17.16%	-21.21%	-3.22%	2.76%	2.78%	
<b>Innovation<sup>6</sup></b>	<b>\$461,512,292</b>	<b>0.9%</b>	18.89%	-1.12%				
Custom Benchmark			18.42%	1.63%				
<b>Overlay<sup>7</sup></b>	<b>\$555,512,544</b>		0.30%	0.10%	0.03%	0.03%	0.01%	
<b>Cash</b>	<b>\$195,040,145</b>	<b>1.4%</b>	0.06%	0.77%	3.19%	3.27%	2.61%	
90 Day T-Bills			0.07%	0.39%	2.82%	3.11%	3.11%	



Outperformed its benchmark



Underperformed its benchmark

<sup>1</sup> Performance figures are net of all non-appropriated fees.

<sup>2</sup> Currently 69% Dow Jones Wilshire Global, 31% Barclays Capital Universal. Over time the benchmark has been adjusted by changing both benchmarks and percentages. The most recent change occurred on January 1, 2008.

<sup>3</sup> The implementation value added benchmark consists of the public market indices, as defined in each asset class's policy, weighted according to the asset allocation targets. This custom benchmark differs from the passive benchmark as it is not an investable benchmark due to the uninvestable premium added to the real estate and private equity passive benchmarks.

<sup>4</sup> TUCS returns have been adjusted to reflect fees equivalent to those incurred by the WSIB (6.5 bp over one, three, and five years and 10 bp for ten years).

<sup>5</sup> Private equity and real estate use the latest market value known plus cash flows since then. For compositing purposes the private equity and real estate return are calculated using monthly time-weighted returns.

<sup>6</sup> The overall benchmark is the weighted average of the underlying benchmarks for each asset/idea within the portfolio.

<sup>7</sup> To show the performance, cash and the cash held in the overlay are separated out on this page.

<sup>8</sup> Since Inception of the CTF is 7/1/1992.

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Total Developed Passive</b>	19.79%	4.63%	-2.50%	6.92%	3.34%
SSgA Commingled	19.83%	4.66%	-2.49%	6.93%	3.34%
SSgA Separate	19.71%				

<b>Total Developed Active</b>	19.14%	3.78%	-2.48%	7.31%	4.85%
Arrowstreet Capital	18.84%	11.01%	1.74%	9.56%	
Artio Global Investors, Inc. (Formerly Julius Baer)	19.26%	-0.51%	-2.77%	7.96%	
BGI (MSCI World ex U.S.)	18.96%	2.71%	-3.30%	6.48%	
Capital Guardian Trust	18.24%	2.30%	-3.69%	6.05%	
LSV Asset Mgmt.	23.50%	7.04%	-3.67%	6.77%	
Mondrian Investment Partners	18.36%	3.18%	-2.03%	7.71%	7.55%
Pyramis Global Advisors Trust	19.30%	2.06%	-1.39%	7.52%	
William Blair & Company	17.19%	3.75%	-3.32%	7.31%	

<b>Total Developed</b>	19.31%	4.01%	-2.46%	7.23%	4.21%
Custom Developed Markets Benchmark	19.75%	4.09%	-2.88%	6.63%	3.06%
MSCI World ex U.S.	19.36%	2.89%	-3.03%	6.53%	

All funds and composites above use the custom developed markets benchmark other than BGI which uses MSCI World ex U.S.

<b>Total Emerging Active</b>	22.14%	14.25%	6.60%	16.71%	11.51%
Capital International	20.68%	23.42%	11.00%	20.31%	
Grantham, Mayo, Otterloo	23.84%	11.29%	4.66%	16.20%	15.00%
Grantham, Mayo, Otterloo Illiquid	22.10%	17.38%			
JPMorgan	20.21%	16.24%	8.17%		
Lazard Asset Mgmt.	22.76%	12.35%	8.82%		

<b>Total Emerging</b>	22.14%	14.25%	6.60%	16.71%	11.51%
Custom Emerging Markets Benchmark	21.18%	21.48%	8.11%	17.41%	12.02%

All funds and composites for emerging active markets use the custom emerging markets benchmark.

<b>Total International Equity</b>	19.62%	5.13%	-1.56%	7.99%	4.87%
Custom International Equity Benchmark	20.05%	7.35%	-0.95%	8.47%	4.43%

 Outperformed its benchmark

 Underperformed its benchmark

Developed Markets Benchmark: MSCI EAFE + Canada / World ex U.S. IMI - Switched October 1, 2007.

Emerging Markets Benchmark: Custom Emerging Markets / Emerging Markets IMI - Switched October 1, 2007.

International Equity Benchmark: MSCI ACW ex U.S. / ACW IMI - Switched October 1, 2007.

**U.S. Markets**

**\$7,903,279,723**

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Total U.S. Passive (DJ Wilshire)</b>	16.31%	-6.45%	-4.64%	1.89%	1.06%
BGI Index (DJ U.S. TSMI)	16.31%	-6.48%	-4.67%	1.88%	1.05%
<b>Total U.S. Enhanced (DJ Wilshire)</b>	15.82%	-12.76%	-10.52%		
BGI (Russell 3000)	16.35%	-6.11%	-5.83%		
<b>Total U.S. Equity (DJ U.S. TSMI)</b>	16.21%	-8.02%	-6.09%	0.97%	0.60%
Dow Jones U.S. TSMI	16.32%	-6.25%	-4.77%	1.80%	0.87%
Russell 3000	16.31%	-6.42%	-5.06%	1.56%	0.73%

 Outperformed its benchmark

 Underperformed its benchmark

**U.S. Equity**

**\$7,903,279,723**

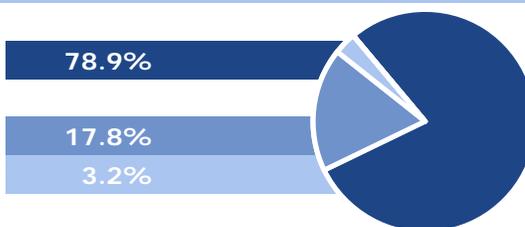
**Passive**

BGI Index \$6,239,060,504

**Active**

BGI \$1,410,574,840

Transition Accounts \$253,644,379



**International Developed Markets**

**\$9,946,399,579**

**Passive**

SSgA Commingled \$1,623,769,034

SSgA Separate \$1,075,188,002

**Active**

Arrowstreet Capital \$921,064,654

Artio Global Investors, Inc. \$903,421,872

BGI (MSCI World ex U.S.) \$1,003,432,353

Capital Guardian Trust \$845,548,581

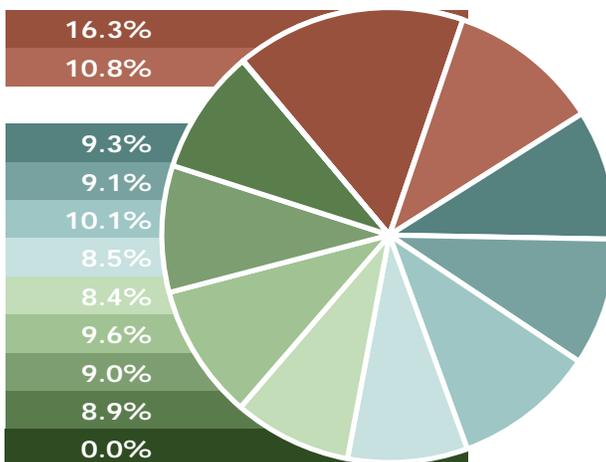
LSV Asset Mgmt. \$833,890,063

Mondrian Investment Partners \$954,302,018

Pyramis Global Advisors Trust \$896,386,344

William Blair & Company \$886,512,071

Transition Accounts \$2,884,586



**International Emerging Markets**

**\$1,253,567,210**

**Active**

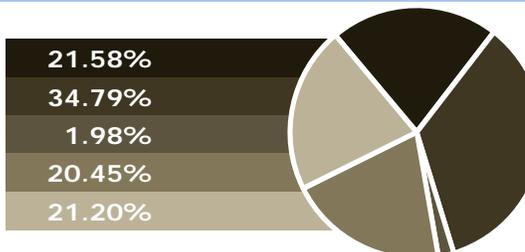
Capital International \$270,553,675

Grantham, Mayo, Otterloo \$436,096,351

Grantham, Mayo, Otterloo Illiquid \$24,814,459

JPMorgan \$256,295,197

Lazard Asset Management \$265,807,528



Top Ten Countries by Weight	Top Ten Holdings
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	CTF Weight	Index Weight		CTF Weight	Index Weight
United States	41.47%	40.54%	Exxon Mobil Corp.	1.18%	1.17%
Japan	9.86%	9.71%	Royal Dutch Shell	0.96%	0.63%
United Kingdom	9.43%	8.10%	Telefonica S.A.	0.75%	0.40%
France	5.11%	4.27%	BP PLC	0.71%	0.59%
Australia	3.72%	3.25%	Microsoft Corp.	0.71%	0.72%
Canada	3.54%	4.03%	HSBC Holdings PLC (UK Reg)	0.68%	0.70%
Switzerland	3.48%	3.34%	GlaxoSmithKline PLC	0.65%	0.36%
Germany	3.26%	3.08%	Banco Santander S.A.	0.63%	0.46%
Spain	2.26%	1.78%	JPMorgan Chase & Co.	0.62%	0.62%
Hong Kong	1.34%	1.26%	General Electric Co.	0.61%	0.62%

<b>WSIB</b>	U.S. 41.5%	Other Developed Countries 51.7%	Emerging 6.9%
<b>DJW Global</b>	U.S. 40.5%	Other Developed Countries 49.7%	Emerging 9.7%

**Fixed Income**

\$11,694,688,614

**Duration**

	June 09	Sept. 09
<b>WSIB Portfolio</b>	<b>4.26</b>	<b>4.49</b>
Barclays Capital Universal	4.32	4.45
<b>Difference</b>	<b>-1.32%</b>	<b>0.78%</b>

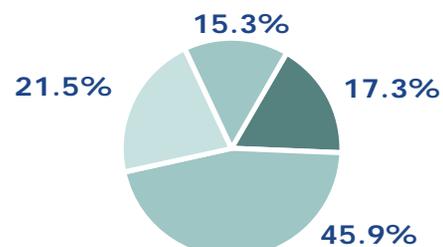
**Sector Weighting**



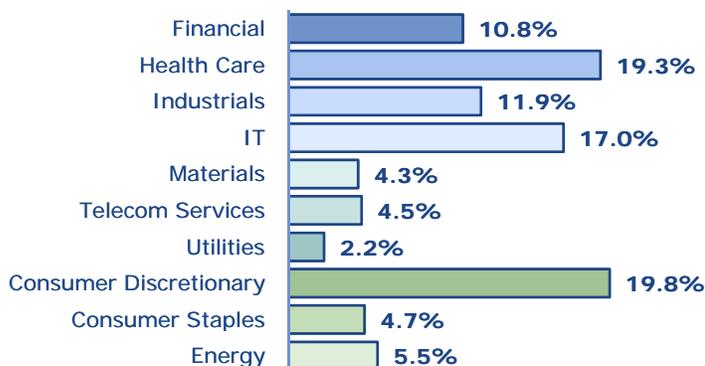
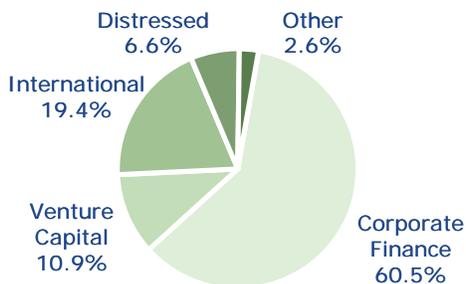
**Innovation**

\$461,512,292

At this time, the innovation portfolio has 100% global equities divided across 4 fund managers.



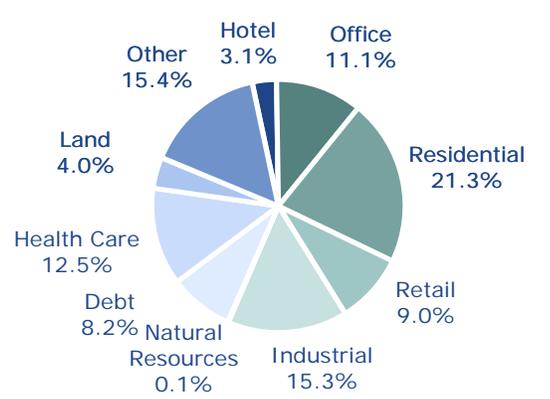
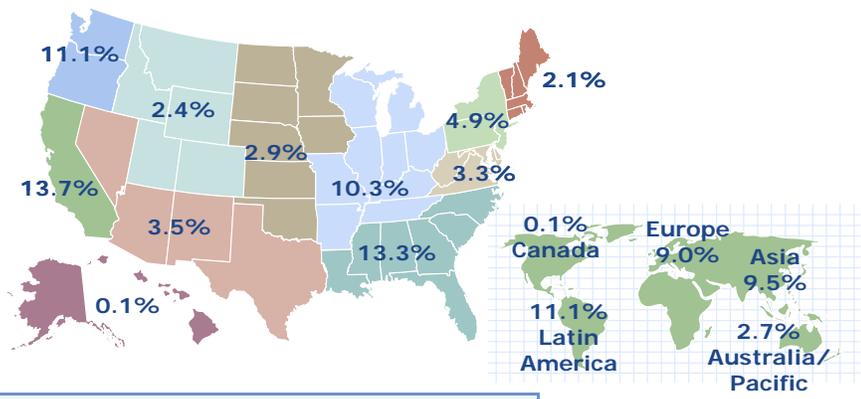
**Sector Distribution** | **Industry Distribution**



**Unfunded Commitments: \$8.9 billion**

**Real Estate** | **\$7,898,607,961**

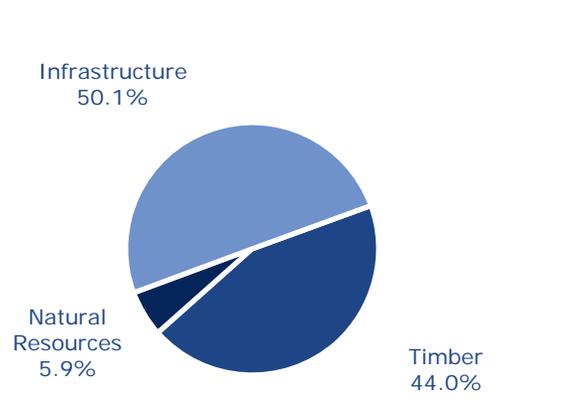
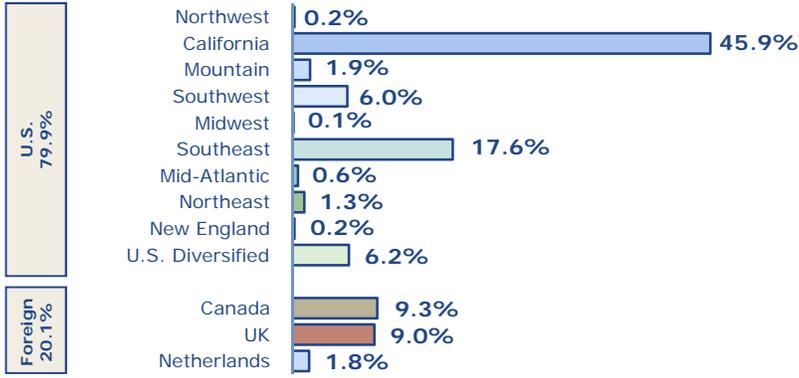
**Geographical Distribution** | **Property Type Distribution**



**Unfunded Commitments: \$7.8 billion**

**Tangible** | **\$550,048,099**

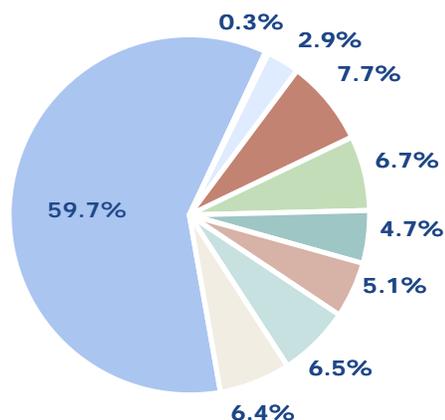
**Geographical Distribution** | **Sector Type Distribution**



**Unfunded Commitments: \$519 million**

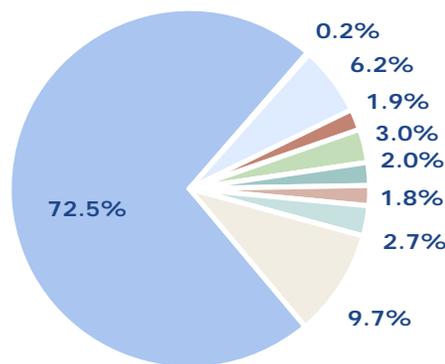
Distribution charts and unfunded commitments are lagged one quarter.

**Teachers' Retirement System (TRS)**



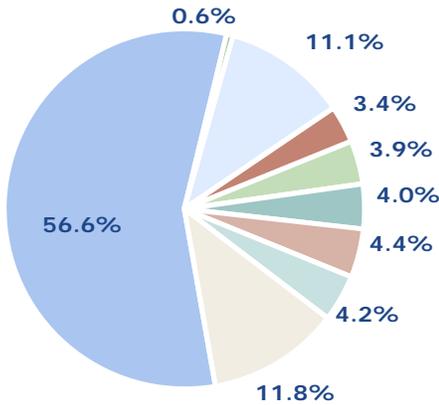
Option	Market Value	Quarterly Change
WSIB TAP Fund	\$2,265,470,634	\$234,393,915
Social Balanced Fund	11,864,908	1,312,592
Retirement Strategy Fund 2000	2,037,662	368,858
Retirement Strategy Fund 2005	2,272,558	162,763
Retirement Strategy Fund 2010	14,000,473	3,350,970
Retirement Strategy Fund 2015	27,376,204	6,623,455
Retirement Strategy Fund 2020	22,795,437	3,768,039
Retirement Strategy Fund 2025	15,733,457	4,198,559
Retirement Strategy Fund 2030	9,308,089	1,933,425
Retirement Strategy Fund 2035	7,827,125	1,445,256
Retirement Strategy Fund 2040	5,802,697	1,150,946
Retirement Strategy Fund 2045	3,306,087	708,330
Retirement Strategy Fund 2050	865,094	348,693
U.S. Stock Fund	292,249,935	42,753,211
U.S. Large Stock Fund	254,422,150	36,192,045
U.S. Small Stock Fund	179,651,354	30,382,159
International Index Fund	191,599,357	35,406,153
Bond Market Fund	244,678,078	22,981,727
Money Market Fund	242,183,893	(11,865,981)
<b>Total Fund</b>	<b>\$3,793,445,192</b>	<b>\$415,615,114</b>

**School Employees' Retirement System (SERS)**



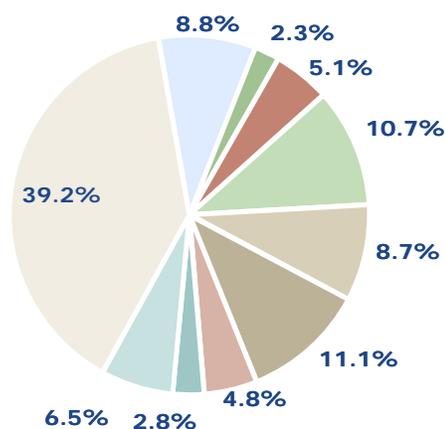
Option	Market Value	Quarterly Change
WSIB TAP Fund	\$729,472,324	\$70,246,494
Social Balanced Fund	2,174,319	279,727
Retirement Strategy Fund 2000	1,159,611	185,676
Retirement Strategy Fund 2005	1,762,844	214,688
Retirement Strategy Fund 2010	8,213,427	1,270,553
Retirement Strategy Fund 2015	17,255,270	3,152,557
Retirement Strategy Fund 2020	16,753,323	2,981,893
Retirement Strategy Fund 2025	10,675,831	1,865,561
Retirement Strategy Fund 2030	3,681,008	842,870
Retirement Strategy Fund 2035	1,848,089	367,492
Retirement Strategy Fund 2040	618,553	81,940
Retirement Strategy Fund 2045	340,488	88,778
Retirement Strategy Fund 2050	172,502	77,322
U.S. Stock Fund	18,837,137	2,757,773
U.S. Large Stock Fund	30,212,071	4,238,415
U.S. Small Stock Fund	20,615,254	3,485,378
International Index Fund	18,280,746	3,850,138
Bond Market Fund	27,310,048	4,916,460
Money Market Fund	97,153,098	(3,685,445)
<b>Total Fund</b>	<b>\$1,006,535,943</b>	<b>\$97,218,269</b>

**Public Employees' Retirement System (PERS)**



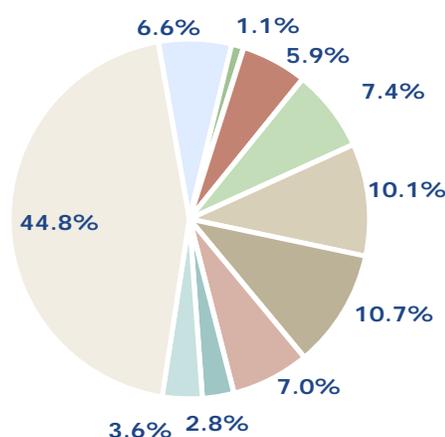
Option	Market Value	Quarterly Change
WSIB TAP Fund	\$743,427,742	\$75,337,530
Social Balanced Fund	7,807,590	702,299
Retirement Strategy Fund 2000	1,239,217	435,566
Retirement Strategy Fund 2005	1,345,033	263,174
Retirement Strategy Fund 2010	10,224,483	1,602,196
Retirement Strategy Fund 2015	29,257,967	6,378,192
Retirement Strategy Fund 2020	34,015,682	5,141,481
Retirement Strategy Fund 2025	31,976,352	5,644,990
Retirement Strategy Fund 2030	18,991,941	3,473,301
Retirement Strategy Fund 2035	11,716,953	2,044,853
Retirement Strategy Fund 2040	3,963,091	844,889
Retirement Strategy Fund 2045	1,983,749	391,927
Retirement Strategy Fund 2050	1,591,090	544,770
U.S. Stock Fund	44,257,963	5,844,477
U.S. Large Stock Fund	51,365,378	7,165,052
U.S. Small Stock Fund	52,809,073	9,264,811
International Index Fund	57,078,684	13,073,920
Bond Market Fund	55,545,118	7,205,385
Money Market Fund	155,631,295	(6,388,016)
<b>Total Fund</b>	<b>\$1,314,228,402</b>	<b>\$138,970,798</b>

Deferred Compensation (DCP)



Option	Market Value	Quarterly Change
Retirement Strategy Fund 2000	\$4,094,318	\$635,805
Retirement Strategy Fund 2005	7,895,429	976,083
Retirement Strategy Fund 2010	35,726,330	6,668,823
Retirement Strategy Fund 2015	58,128,324	13,722,206
Retirement Strategy Fund 2020	44,532,594	10,312,360
Retirement Strategy Fund 2025	25,791,486	6,389,615
Retirement Strategy Fund 2030	14,628,836	3,642,646
Retirement Strategy Fund 2035	9,476,766	2,032,841
Retirement Strategy Fund 2040	5,406,879	1,244,324
Retirement Strategy Fund 2045	2,596,647	381,996
Retirement Strategy Fund 2050	1,287,717	405,887
Social Balanced Fund	53,881,098	4,765,631
U.S. Stock Market Index Fund	122,443,081	19,508,282
Active Value Fund	255,936,099	42,266,961
Active Core Fund	208,034,138	27,476,576
Growth Company Fund	265,645,389	41,555,409
International Stock Fund	114,503,292	24,522,448
U.S. Small Stock Fund	66,940,994	14,087,465
Bond Market Fund	156,146,926	22,046,085
Savings Pool	937,300,353	(17,668,949)
<b>Total Fund</b>	<b>\$2,390,396,694</b>	<b>\$224,972,496</b>

Judicial Retirement Account (JRA)



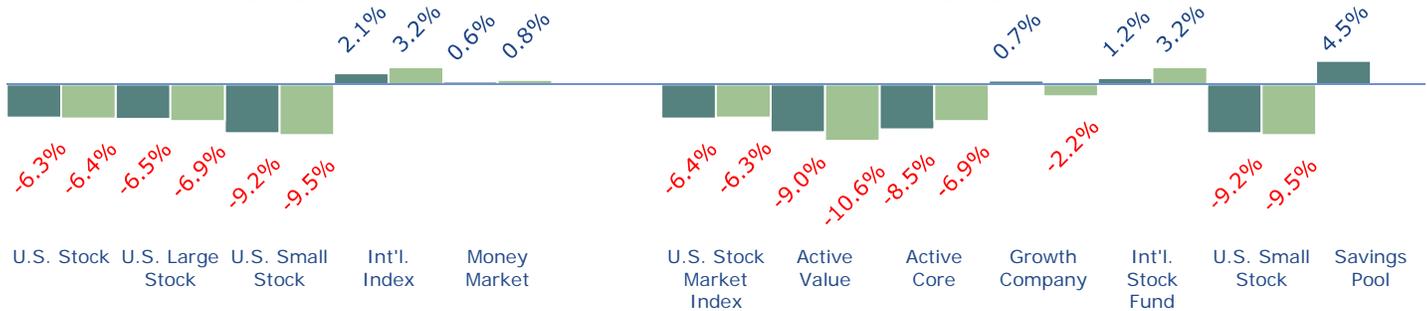
Option	Market Value	Quarterly Change
Retirement Strategy Fund 2000	\$0	\$0
Retirement Strategy Fund 2005	79,886	9,450
Retirement Strategy Fund 2010	65,630	(9,733)
Retirement Strategy Fund 2015	413,120	57,422
Retirement Strategy Fund 2020	94,713	13,832
Retirement Strategy Fund 2025	103,397	15,755
Retirement Strategy Fund 2030	3,846	584
Retirement Strategy Fund 2035	0	0
Retirement Strategy Fund 2040	0	0
Retirement Strategy Fund 2045	0	0
Retirement Strategy Fund 2050	0	0
Social Balanced Fund	126,221	13,871
U.S. Stock Market Index Fund	685,968	103,409
Active Value Fund	854,605	137,828
Active Core Fund	1,167,702	84,395
Growth Company Fund	1,232,597	178,050
International Stock Fund	815,520	111,201
U.S. Small Stock Fund	329,700	28,201
Bond Market Fund	411,238	(8,235)
Savings Pool	5,181,743	81,118
<b>Total Fund</b>	<b>\$11,565,887</b>	<b>\$817,148</b>

One Year Returns

Fund Index

**Plan 3 Equity and Cash Funds**

**DCP Equity and Cash Funds**



**Plan 3 Equity Funds**

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>U.S. Stock Fund</b>	<b>16.32%</b>	<b>-6.27%</b>	<b>-4.96%</b>	<b>1.66%</b>	<b>N/A</b>
Russell 3000	16.31%	-6.42%	-5.06%	1.56%	0.73%
<b>U.S. Large Stock Fund</b>	<b>15.69%</b>	<b>-6.51%</b>	<b>-5.23%</b>	<b>1.17%</b>	<b>-0.07%</b>
S&P 500	15.61%	-6.91%	-5.43%	1.02%	-0.15%
<b>U.S. Small Stock Fund</b>	<b>19.35%</b>	<b>-9.17%</b>	<b>-4.44%</b>	<b>2.50%</b>	<b>4.93%</b>
Russell 2000	19.28%	-9.55%	-4.57%	2.41%	4.88%
<b>International Index Fund</b>	<b>19.52%</b>	<b>2.10%</b>	<b>-3.31%</b>	<b>6.29%</b>	<b>2.02%</b>
MSCI EAFE	19.47%	3.23%	-3.60%	6.07%	2.55%

**DCP Equity Funds**

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>U.S. Stock Market Index Fund</b>	<b>16.30%</b>	<b>-6.43%</b>	<b>-4.71%</b>	<b>1.86%</b>	<b>1.04%</b>
Dow Jones U.S. TSMI	16.32%	-6.25%	-4.77%	1.80%	0.87%
<b>Active Value Fund</b>	<b>18.63%</b>	<b>-8.99%</b>	<b>-8.86%</b>	<b>0.61%</b>	<b>4.92%</b>
Russell 1000 Value Index	18.24%	-10.62%	-7.87%	0.90%	2.59%
<b>Active Core Fund</b>	<b>15.22%</b>	<b>-8.45%</b>	<b>-7.51%</b>	<b>0.62%</b>	<b>N/A</b>
S&P 500	15.61%	-6.91%	-5.43%	1.02%	-0.15%
<b>Growth Company Fund</b>	<b>16.49%</b>	<b>0.70%</b>	<b>0.37%</b>	<b>5.65%</b>	<b>2.15%</b>
Russell 3000 Growth	14.12%	-2.19%	-2.51%	1.96%	-2.28%
<b>International Stock Fund</b>	<b>19.12%</b>	<b>1.22%</b>	<b>-5.22%</b>	<b>N/A</b>	<b>N/A</b>
MSCI EAFE	19.47%	3.23%	-3.60%	6.07%	2.55%
<b>U.S. Small Stock Fund</b>	<b>19.35%</b>	<b>-9.17%</b>	<b>-4.44%</b>	<b>2.50%</b>	<b>4.93%</b>
Russell 2000	19.28%	-9.55%	-4.57%	2.41%	4.88%

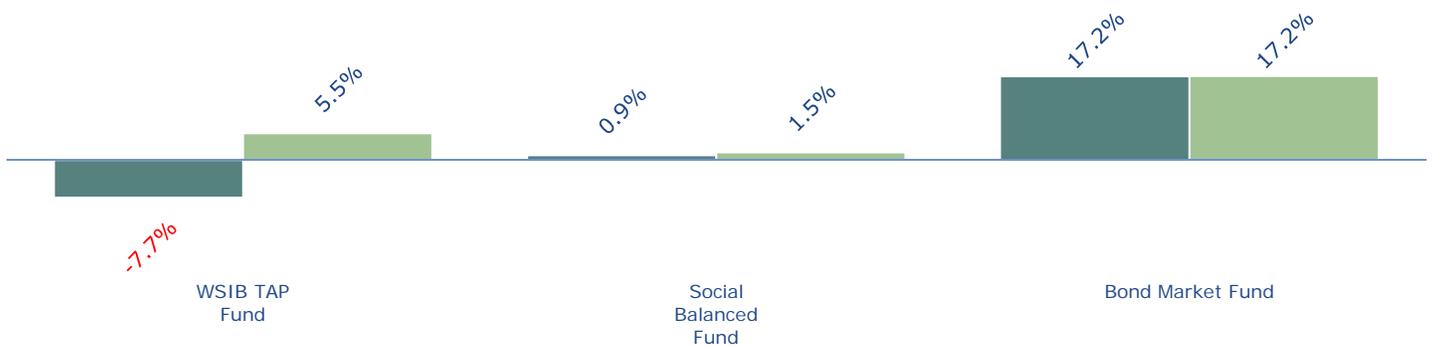
**Cash Funds**

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Money Market Fund (Plan 3)</b>	<b>0.06%</b>	<b>0.56%</b>	<b>3.09%</b>	<b>3.36%</b>	<b>3.31%</b>
One Month LIBOR	0.07%	0.84%	3.28%	3.55%	3.39%
<b>Savings Pool (DCP)</b>	<b>1.05%</b>	<b>4.48%</b>	<b>4.65%</b>	<b>4.62%</b>	<b>5.31%</b>

DCP performance uses current managers'/funds' returns and returns from other portfolios with same investment strategy but different fees to produce a ten-year history. Return shown is after manager and portfolio expenses but before the WSIB and record keeping fees and does not include any return attributed to rebates.

Plan 3 performance uses current managers' returns. Return shown is after manager and portfolio expenses but before the WSIB and record keeping fees.

One Year Returns



**Balanced Funds**

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>WSIB TAP Fund (Plan 3)</b>	<b>9.94%</b>	<b>-7.74%</b>	<b>-0.79%</b>	<b>5.85%</b>	<b>5.14%</b>
Custom Benchmark	13.98%	5.45%	-0.05%	4.79%	3.50%
<b>Social Balanced Fund</b>	<b>8.37%</b>	<b>0.93%</b>	<b>2.20%</b>	<b>3.68%</b>	<b>N/A</b>
Custom Benchmark	10.17%	1.52%	0.18%	3.16%	3.07%
<b>Retirement Strategy Fund 2000</b>	<b>11.47%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2000 Composite Index	10.91%	N/A	N/A	N/A	N/A
<b>Retirement Strategy Fund 2005</b>	<b>13.46%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2005 Composite Index	12.81%	N/A	N/A	N/A	N/A
<b>Retirement Strategy Fund 2010</b>	<b>15.20%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2010 Composite Index	14.65%	N/A	N/A	N/A	N/A
<b>Retirement Strategy Fund 2015</b>	<b>16.19%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2015 Composite Index	15.68%	N/A	N/A	N/A	N/A
<b>Retirement Strategy Fund 2020</b>	<b>17.15%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2020 Composite Index	16.71%	N/A	N/A	N/A	N/A
<b>Retirement Strategy Fund 2025</b>	<b>18.02%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2025 Composite Index	17.60%	N/A	N/A	N/A	N/A
<b>Retirement Strategy Fund 2030</b>	<b>17.96%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2030 Composite Index	17.72%	N/A	N/A	N/A	N/A
<b>Retirement Strategy Fund 2035</b>	<b>17.92%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2035 Composite Index	17.78%	N/A	N/A	N/A	N/A
<b>Retirement Strategy Fund 2040</b>	<b>17.79%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2040 Composite Index	17.78%	N/A	N/A	N/A	N/A
<b>Retirement Strategy Fund 2045</b>	<b>17.75%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2045 Composite Index	17.78%	N/A	N/A	N/A	N/A
<b>Retirement Strategy Fund 2050</b>	<b>17.86%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
2050 Composite Index	17.78%	N/A	N/A	N/A	N/A

**Bond Fund**

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Bond Market Fund</b>	<b>7.07%</b>	<b>17.18%</b>	<b>8.08%</b>	<b>6.04%</b>	<b>N/A</b>
Barclays Capital Intermediate Credit	6.10%	17.20%	5.87%	4.58%	6.25%

**Characteristics**

**Composition Distribution**

**Average Maturity**

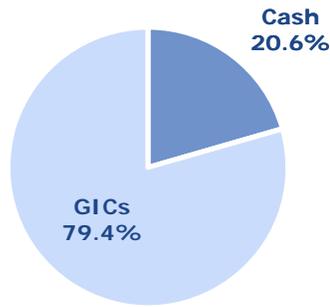
1.8 Years

**Average Yield**

4.16%

**Number of Holdings**

32

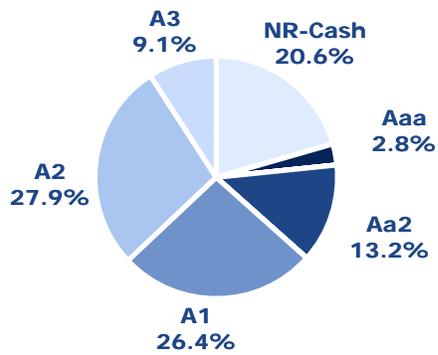


<b>Market Value</b>
<b>\$ 942,626,176</b>

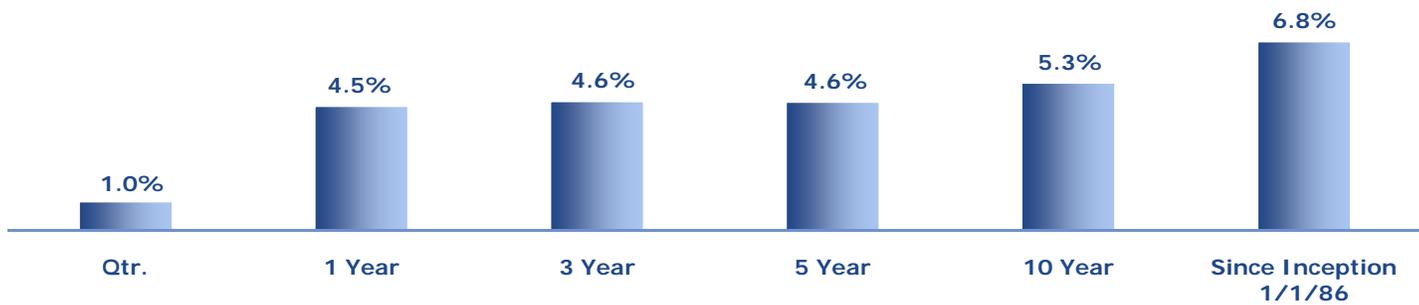
**Top Ten GIC Issuers**

Metropolitan Life Insurance Co.	13.21%
Pacific Life Insurance Co.	12.59%
Prudential Insurance Co. of America	11.77%
Protective Life Insurance Co.	9.15%
Hartford Life Insurance Co.	9.14%
Genworth Life and Annuity Assurance	6.99%
Security Life of Denver Insurance Co.	5.62%
ING USA Annuity & Life Insurance Co.	4.51%
Monumental Life Insurance Co.	3.66%
New York Life Insurance Corp.	2.83%

**Rating Distribution**



**Return**

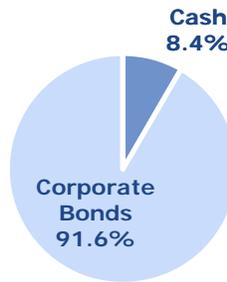


Note: Totals may not add up due to rounding

**Characteristics**

**Asset Class Distribution**

	<b>Fund</b>	<b>Index</b>
Average Maturity	5.9 years	5.2 years
Yield to Maturity	4.03%	4.13%
Effective Duration	4.78	4.37
Average Coupon	5.42%	5.66%
Number of Holdings	147	2,687

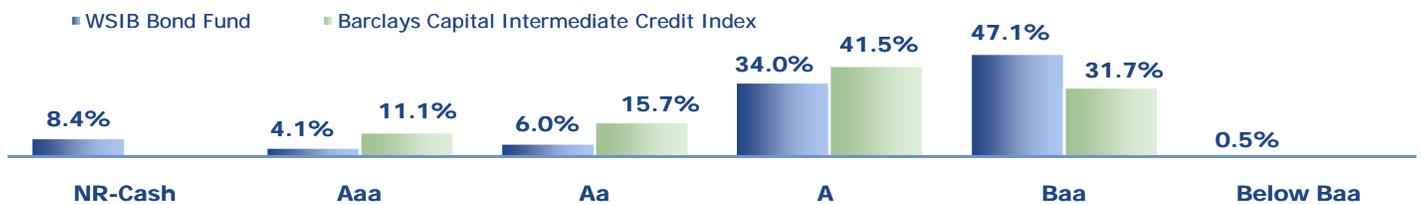


<b>Market Value</b>
<b>\$ 539,001,797</b>

**Top Ten Credit Issuers**

Canadian Pacific	1.03%	Archer Daniels Midland Co.	1.01%
Transcontinental Gas Pipe Line Corp.	1.02%	Abu Dhabi National Energy Co.	1.01%
E.ON International Finance B.V.	1.02%	Burlington Northern Santa Fe Corp.	1.00%
Hutchison Whampoa Ltd.	1.02%	Phillips Electronics Corp.	1.00%
Rockies Express	1.02%	Vale Overseas Limited	0.99%

**Rating Distribution**



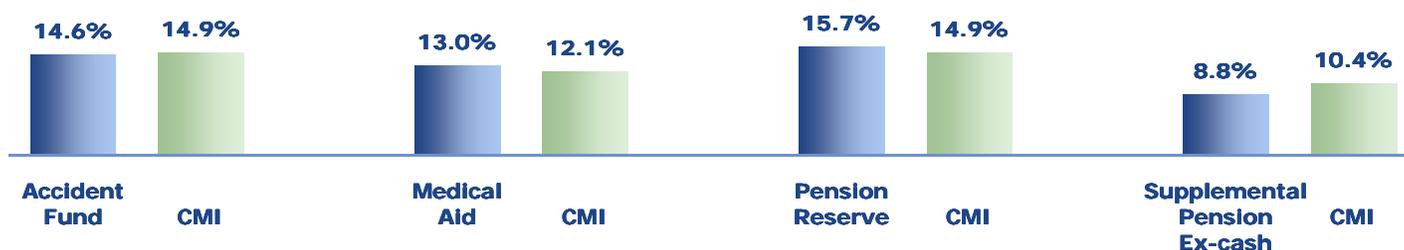
**Industry Distribution**



**Return**



Note: Totals may not add up due to rounding

**One Year Performance**

**Total Fund** **\$11,689,913,182**

	Market Value	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Accident Fund</b>	<b>\$4,418,648,306</b>	<b>7.08%</b>	<b>14.61%</b>	<b>6.15%</b>	<b>6.00%</b>	<b>6.94%</b>
CMI		7.98%	14.93%	4.79%	4.88%	6.48%
<b>Medical Aid</b>	<b>\$4,022,562,409</b>	<b>7.19%</b>	<b>12.96%</b>	<b>5.10%</b>	<b>5.74%</b>	<b>5.77%</b>
CMI		7.67%	12.09%	3.95%	4.94%	5.54%
<b>Pension Reserve</b>	<b>\$3,206,407,670</b>	<b>7.35%</b>	<b>15.74%</b>	<b>5.99%</b>	<b>5.89%</b>	<b>7.62%</b>
CMI		7.98%	14.93%	4.79%	4.88%	7.06%
<b>Supplemental Pension</b>	<b>\$42,294,798</b>	<b>1.33%</b>	<b>5.01%</b>	<b>4.70%</b>	<b>4.12%</b>	<b>4.29%</b>
<b>Supplemental Ex-Cash</b>		<b>2.66%</b>	<b>8.85%</b>	<b>5.75%</b>	<b>4.57%</b>	<b>5.05%</b>
CMI		2.79%	10.37%	5.60%	4.43%	5.39%

**Labor and Industries' Statutory Accounting Return \***

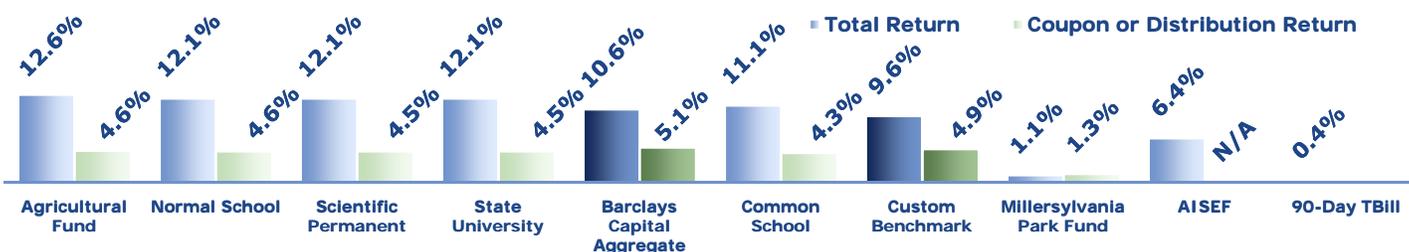
	Qtr.	1 Year	3 Year	5 Year
Accident Fund	3.01%	5.42%	5.90%	6.81%
Medical Aid	3.44%	3.91%	3.88%	5.61%
Pension Reserve	3.00%	5.20%	5.68%	6.54%
Supplemental Pension	0.97%	3.46%	3.97%	3.95%

**Duration**

	CMI	Target	Actual	% Difference
Accident Fund	7.19	7.00	6.66	-4.85%
Medical Aid	6.07	6.00	6.03	0.45%
Pension Reserve	7.19	7.00	6.88	-1.76%
Supplemental Pension Ex-cash	2.02	1.75-2.25	2.05	N/A

\* Uses net income, realized and unrealized gains and losses on equity securities, and realized gains and losses on fixed income in the numerator. The denominator uses book value for fixed income securities and market value for equities. Below investment grade fixed income securities are carried at the lower of book or market value.

**One Year Performance**



**Market Value**

Agricultural Fund	\$ 180,832,041
Normal School	\$ 235,880,641
Scientific Permanent	\$ 199,860,400
State University	\$ 30,025,702
Common School	\$ 183,029,650
Millersylvania Park Fund	\$ 5,153
American Indian Scholarship Endowment Fund (AISEF)	\$ 638,991

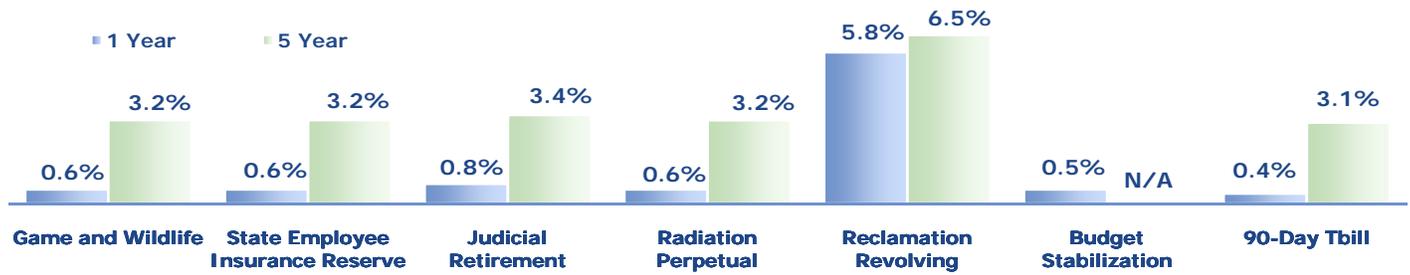
Returns	Total Return					Distribution Return <sup>1</sup>				
	Qtr.	1 Year	3 Year	5 Year	10 Year	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Agricultural Fund</b>	3.80%	12.62%	7.20%	5.56%	6.48%	1.03%	4.64%	4.63%	4.59%	5.37%
<b>Normal School</b>	3.81%	12.08%	7.04%	5.43%	6.46%	1.03%	4.55%	4.58%	4.56%	5.29%
<b>Scientific Permanent</b>	3.81%	12.08%	7.03%	5.43%	6.46%	1.03%	4.55%	4.60%	4.57%	5.34%
<b>State University</b>	3.81%	12.09%	7.05%	5.42%	6.51%	1.02%	4.54%	4.59%	4.55%	5.31%
Barclays Capital Aggregate	3.74%	10.56%	6.41%	5.12%	6.30%					
<b>Common School</b>	4.35%	11.09%	6.32%	5.20%	6.19%	0.98%	4.29%	4.33%	4.32%	5.07%
Custom Benchmark <sup>2</sup>	4.29%	9.61%	5.65%	4.90%	6.16%					
<b>Millersylvania Park</b>	0.08%	1.10%	3.33%	3.46%	3.27%	0.10%	1.29%	3.48%	3.48%	3.33%
90 Day Tbill	0.07%	0.39%	2.82%	3.11%	3.11%					
<b>AISEF</b>	2.02%	6.42%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Custom Benchmark <sup>3</sup>	2.00%	5.52%	N/A	N/A	N/A					

<sup>1</sup> Includes coupon income and amortization minus expenses and deferred losses based on book value.

<sup>2</sup> The custom benchmark for the Common School Fund is a combination of the Barclays Capital Aggregate and Dow Jones U.S. TSMI using the previous month-end weights adjusted for new purchases during the current month. For September 2009, the breakdown was 4.9% Dow Jones U.S. TSMI and 95.1% Barclays Capital Aggregate.

<sup>3</sup> The custom benchmark for the American Indian Scholarship Endowment Fund is a combination of the Barclays Capital Aggregate and the 90 Day Tbill using the previous month-end weights adjusted for new purchases during the current month. For September 2009, the breakdown was 53.6% Barclays Capital Aggregate and 46.4% the 90 Day Tbill.

One Year and Five Year Performance



Market Value

Game and Wildlife	\$ 6,546,417
State Employee Insurance Reserve	\$ 88,101,566
Judicial Retirement	\$ 2,062,959
Radiation Perpetual	\$ 330,290
Reclamation Revolving	\$ 108,363
Budget Stabilization	\$ 21,424,507

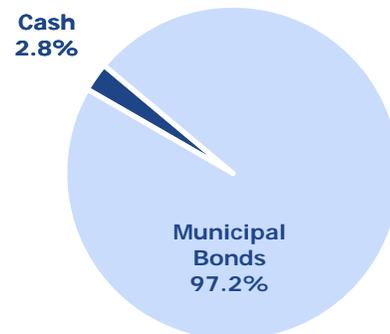
Total Return

	Qtr.	1 Year	3 Year	5 Year	10 Year
Game and Wildlife	0.03%	0.55%	2.97%	3.21%	3.12%
State Employee Insurance Reserve	0.03%	0.55%	2.97%	3.21%	3.12%
Judicial Retirement	0.06%	0.76%	3.23%	3.41%	3.30%
Radiation Perpetual	0.03%	0.55%	2.96%	3.20%	3.11%
Reclamation Revolving	1.94%	5.81%	7.32%	6.47%	5.32%
Budget Stabilization	0.03%	0.55%	N/A	N/A	N/A
90-Day Tbill	0.07%	0.39%	2.82%	3.11%	3.11%

Portfolio Allocations

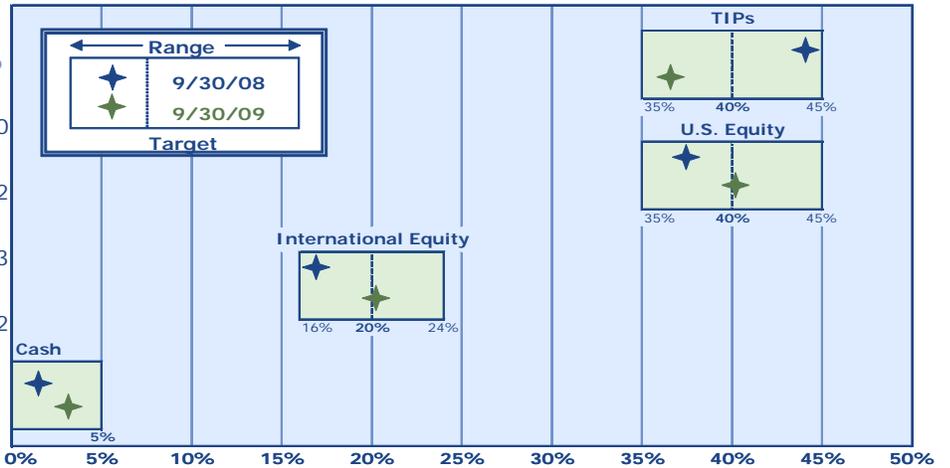
The Game and Wildlife Fund, State Employee Insurance Reserve Fund, Judicial Retirement Fund, Radiation Perpetual Fund, Emergency Reserve Fund, and Pension Stabilization Fund are fully invested in short-term investment funds (STIF).

The Reclamation Revolving Fund (shown to the right) is invested in municipal bonds and STIF.

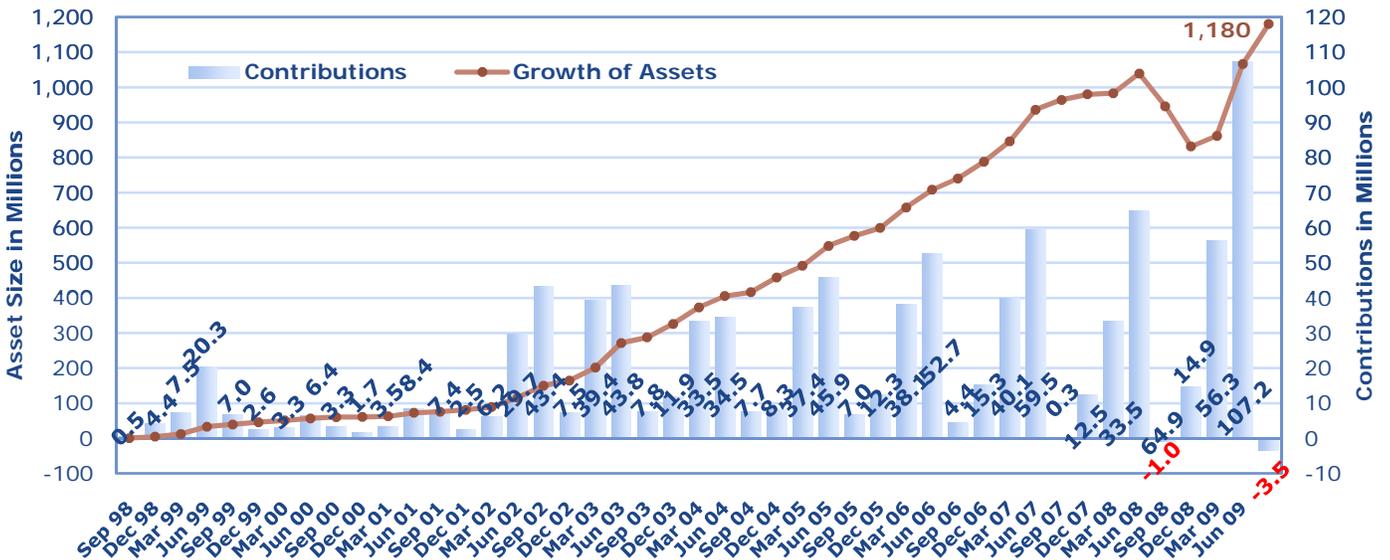


**Portfolio Size and Allocation**

<b>Total</b>	<b>\$1,180,474,836</b>
Cash	36,291,060
Treasury Inflation Index Note (TIPs)	431,611,542
U.S. Equity	473,342,123
Non-U.S. Equity	239,230,112



**Assets Under Management**

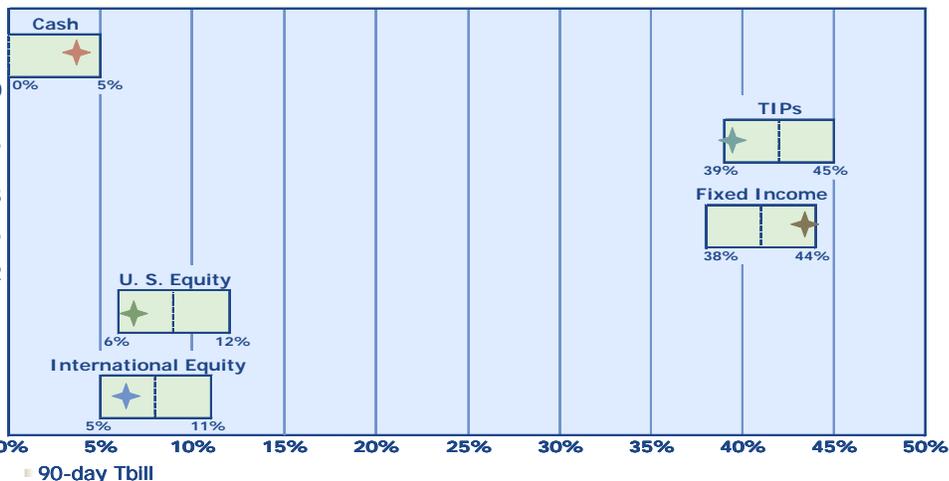


**Total Return**



State Funds

<b>Total</b>	<b>\$8,432,194</b>
Cash	324,400
Treasury Inflation Index Note (TIPs)	3,319,283
Fixed Income	3,657,713
U.S. Equity	592,575
International Equity	538,222



Private Funds

<b>Total</b>	<b>\$12,241,778</b>
Cash	140,997
Balanced Fund	12,100,781

